

122 FERC ¶ 61,192
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

February 29, 2008

In Reply Refer To:
Northern Natural Gas Company
Docket No. RP08-109-001

Northern Natural Gas Company
1111 S. 103rd Street
Omaha, NE 68124

Attention: Dari R. Dornan
Senior Counsel

Reference: Letter Order on Rehearing

Ladies and Gentlemen:

1. On December 7, 2007, Northern Natural Gas Company (Northern) filed revised tariff sheets¹ to be effective January 7, 2008, that (1) increase Firm Deferred Delivery (FDD) storage flexibility by allowing FDD shippers to reduce their scheduled firm withdrawal and injection quantities during the last nomination cycle of the gas day by an amount up to the quantity equal to the aggregate, counter-cyclical Daily Maximum Injection Quantity or Daily Maximum Withdrawal Quantity (FDQs), as provided on Sheet No. 135B;² (2) remove the requirement that an FDD shipper maintain a storage point as a primary receipt point on its firm throughput service agreement (FDD Storage Point Requirement); and (3) remove redundant language.

¹ Eighth Revised Sheet No. 138, Sixth Revised Sheet No. 139, and Seventh Revised Sheet No. 141 to its FERC Gas Tariff, Fifth Revised Volume No. 1.

² Fifth Revised Sheet No. 135B to its FERC Gas Tariff, Fifth Revised Volume No. 1, was accepted effective August 1, 2006 by unpublished letter order issued in Docket No. RP06-410-000. Northern states that even though Sheet No. 135B is referenced for the aggregate Daily Maximum Injection and Withdrawal FDQ, this new flexibility will be applicable to all FDD shippers.

2. On January 3, 2008, the Commission accepted and suspended the proposed tariff sheets to be effective on the earlier of June 7, 2008, or some earlier date if subsequently ordered by the Commission, subject to Northern's providing additional support for its proposal to remove the FDD Storage Point Requirement from Sheet No. 141.³

3. On January 18, 2008, Northern filed a request for expedited clarification or rehearing, so that it can place Eighth Revised Sheet No. 138 and Sixth Revised Sheet No. 139 in effect five business days after a Commission order addressing this request for clarification or rehearing. Northern states that neither the protestor nor the Commission expressed any concerns over Northern's proposal to increase the FDD storage flexibility, which is reflected in Sheet Nos. 138 and 139. Furthermore, Northern states that implementation of these proposed changes would be beneficial to FDD shippers.

4. On February 4, 2008, Xcel Energy Services Inc. (Xcel) filed an answer in support of Northern's request for expedited clarification of the January 3 Order. Rule 213(a)(2) of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.213(a)(2) (2007), prohibits an answer to a request for rehearing unless otherwise ordered by the decisional authority. We will accept Xcel's answer because it has provided information that assisted us in our decision-making process.

5. Upon further consideration, the Commission on rehearing, clarifies the January 3 Order to allow Northern to place Eighth Revised Sheet No. 138 and Sixth Revised Sheet No. 139 in effect five business days after the date of issuance of this order, as requested. These revised tariff sheets have not been protested by other parties and will increase storage flexibility among FDD shippers on Northern's system.

By direction of the Commission.

Kimberly D. Bose,
Secretary.

³ *Northern Natural Gas Co.*, 122 FERC ¶ 61,003 (2008) (January 3 Order).